

Message Text

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PAGE 01 QUITO 05879 141520Z

44

ACTION ARA-20

INFO OCT-01 EUR-25 ISO-00 EB-11 COME-00 INT-08 SCEM-02

SCI-06 OMB-01 TRSE-00 CIAE-00 DODE-00 PM-07 H-03

INR-10 L-03 NSAE-00 NSC-10 PA-04 RSC-01 PRS-01 SPC-03

SS-20 USIA-15 ACDA-19 IO-14 NEA-10 DRC-01 /195 W

----- 123314

R 141359Z NOV 73

FM AMEMBASSY QUITO

TO SECSTATE WASHDC 9160

INFO AMEMBASSY BOGOTA

AMEMBASSY CARACAS

AMEMBASSY LIMA

AMEMBASSY VIENNA

AMCONSUL GUAYAQUIL

LIMITED OFFICIAL USE QUITO 5879

E.O. 11652: N/A

TAGS: ENRG, EC

SUBJECT: PETROLEUM REFERENCE PRICE INCREASED TO \$7.30
PER BARREL

REF: QUITO 5474

1. GOE RAISED PETROLEUM TAX REFERENCE PRICE TO \$7.30 PER BARREL
(FOR 28 DEGREE GRAVITY CRUDE) EFFECTIVE NOVEMBER 10, 1973. PRE-
VIOUS REFERENCE PRICE OF \$5.25 WAS IN EFFECT SINCE OCTOBER 17.
EACH DEGREE OF GRAVITY MORE (OR LESS) RAISES (LOWERS) REFERENCE
PRICE SIX CENTS; PREVIOUSLY THIS DIFFERENTIAL WAS FOUR CENTS PER
DEGREE.

2. REFERENCE PRICE INCREASE WOULD ADD ABOUT \$120 MILLION TO GOE
REVENUES AT ANNUAL RATE. WITH REFERENCE PRICE UNCHANGED, 1974
PETROLEUM REVENUES WOULD BE \$425 MILLION AT PRODUCTION OF 250,000
BARRELS PER DAY, THE PRESENT PIPELINE CAPACITY. COMPUTATION OF
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HYPOTHETICAL 1974 REVENUES IS NOT, OF COURSE, A FORECAST, GIVEN

THE VOLATILITY OF PETROLEUM PRICES. LIKEWISE, THE FLOOD OF NEW
REVENUE COMING IN 1974 WOULD BE REPEATED IN SUCCEEDING YEARS ONLY
INSOFAR AS PETROLEUM PRICES DO NOT DECLINE FROM THEIR POST-MIDDLE
EAST WAR PEAKS.
BREWSTER

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PETROLEUM INDUSTRY, TAX RATES, CENTRAL GOVERNMENT TAXES
Control Number: n/a
Copy: SINGLE
Draft Date: 14 NOV 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: golinofr
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973QUITO05879
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: n/a
From: QUITO
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t19731134/aaaaayyc.tel
Line Count: 66
Locator: TEXT ON-LINE
Office: ACTION ARA
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: QUITO 5474
Review Action: RELEASED, APPROVED
Review Authority: golinofr
Review Comment: n/a
Review Content Flags:
Review Date: 17 JAN 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <17-Jan-2002 by martinjw>; APPROVED <08 FEB 2002 by golinofr>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: PETROLEUM REFERENCE PRICE INCREASED TO \$7.30 PER BARREL
TAGS: ENRG, EC
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005